



Citizens Budget Commission

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November 19, 2019

The Honorable Andrew M. Cuomo  
Governor of the State of New York  
Executive Chamber  
State Capitol  
Albany, NY 12224

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**President**

Andrew S. Rein

Dear Governor Cuomo:

The Citizens Budget Commission urges you to veto A7749/S6208, which would impose costly restrictions on school bus contracts in New York City by codifying contract components that the courts struck down.

New York City pupil transportation costs \$1.4 billion annually. A7749/S6208 would prevent the City from removing costly school bus contract provisions requiring retention or hiring of employees based on seniority and preservation of their pay and benefits (referred to as employee protection provisions or EPPs). This mandate restricts hiring and retention to the most highly compensated employees and locks in high expenses.

In 2008 the New York Supreme Court deemed EPPs in preschool special education contracts unlawful; this ruling was affirmed by the First Department and the Court of Appeals in 2009 and 2011, respectively. Following these rulings, the City issued school age pupil transportation bids without EPPs in 2012 and 2013. After the de Blasio Administration reinstated these provisions in rebidding contracts in 2018, the Appellate Division of the State Supreme Court reaffirmed previous rulings against these provisions and found the New York City Department of Education failed to demonstrate that including the provisions, which are anticompetitive and counter to public procurement rules, would save public money.

It is critical that the City maintain flexibility to procure and negotiate pupil transportation contracts and secure savings for future taxpayers.

This costly and ill-advised bill should be rejected.

Sincerely,

Andrew S. Rein  
President